



## REPORT TO CITY COUNCIL

**To:** Honorable Mayor and Members of the City Council  
**From:** Barbara Leibold, City Attorney  
**Date:** November 8, 2022  
**Subject:** First Amendment to City Manager Employment Agreement

### **Recommendation**

Adopt A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKE ELSINORE, CALIFORNIA APPROVING THE FIRST AMENDMENT TO CITY MANAGER EMPLOYMENT AGREEMENT INCREASING THE ANNUAL SALARY TO \$297,463.26

### **Background**

Chapter 2.04 of the Lake Elsinore Municipal Code provides that the City Manager shall be appointed by the City Council and shall hold office at the pleasure of the City Council. By Employment Agreement dated February 9, 2021, the City Council engaged Jason Simpson to serve as City Manager of the City of Lake Elsinore.

### **Discussion**

Under the City Manager's Employment Agreement, salary adjustments are contemplated in conjunction with the City Manager's annual performance evaluation. However, the City Council and City Manager can agree to changes to the Employment Agreement by written amendment at any time.

On September 13, 2022, the City Council approved a Side Letter to the 2021-2026 Memorandum of Understanding with LIUNA Local 777 Amending the Salary Ranges and Changes of Benefits for Union-Represented and Non-Represented Employees to respond to inflationary pressures and to improve recruitment and retention of City employees. Adjustments were aimed at providing salaries to Lake Elsinore employees above average for the region based on salary survey data presented to the City Council in Closed Session.

On October 25, 2022, the City Council met in Closed Session and directed the City Attorney to prepare a First Amendment to the City Manager's Employment Agreement adjusting the City Manager's compensation in response to inflationary pressures and in recognition of the adjustments awarded all City employees. Absent a second amendment to the Employment Agreement, no additional salary adjustment is contemplated prior to the City Manager's February 2024 performance evaluation. No other changes to the Employment Agreement are proposed.

First Amendment to City Manager Employment Agreement  
November 8, 2022

**Fiscal Impact**

The First Amendment represents an annual salary increase of \$43,063.26 for the balance of Term through February 26, 2027, with potential annual increases up to 6% per year commencing February 2024 in accordance with the Employment Agreement.

**Exhibits**

- A – Resolution Approving First Amendment
- B – First Amendment to City Manager Employment Agreement